GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2603
ANSWERED ON:16.03.2007
INSURANCE SCHEME FOR RURAL LANDLESS PEOPLE
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Will the Minister of FINANCE be pleased to state:

(a) whether the Gavernment proposes to introduce Insurance Scheme for rural landless households;

(b) if so, the details: of the scheme prepared in this regard for the benefit of rural households;

(c) whether the Government advised general insurance companies to promote non-insured products in rural areas;

(d) if so, the details thereof; and

(e) the progress nude so far in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) & (b): Yes, Sir. A new insurance scheme called `Aam Admi Bima Yojana` is proposed to be implemented in the year 2007-08, in consultation with State Governments, to extend death and disability insurance cover to rural landless households. Under the Scheme, the Head of the family or one earning member in the family will be insured on payment of premium of Rs. 200/-per year per person. The Central Government has proposed to bear 50% of the premium.

(c) & (d): A re-designed Universal Health Insurance Scheme (UHliS) was introduced by Government in 2004-0 5 for BPL families at a premium of Rs.365/-, Rs.548/- and Rs.730/- with an increased subsidy oi`Rs.200, Rs.300 and Rs.400 for an individual, for a family of 5 members and family of 7 members, respectively. The policy provides for hospitalization benefits upto Rs.30,000/- on floater basis to BPL families. The earning head of the family is also covered for death due to accident risks of Rs.25,000/-. Besides, compensation at the rate of Rs.50 per day for the period of hospitalization subject to a maximum of 15 days is also payable to the earning head of the family. In addition, insurance companies are free to devise specific health insurance policies with lower sum insured (minimum of Rs.5000 and maximum of Rs.30,000) targeting low income groups subject to Micro Insurance Regulations, 2005, issued by Insurance Regulatory & Development Authority (IRDA).

(e): The progress made in the last three years under UHIS is as under:-

Year	No. of families covered	No. of personscovered
2004-05	65,718	1,82,641
2005-06	76,605	2,47,801
2006-07 (upto Jan., 07)	83,950	4,01,099